

**SETTLEMENT AGREEMENT, FULL AND FINAL RELEASE OF ALL CLAIMS, AND
COVENANT NOT TO SUE**

This Settlement Agreement, Full and Final Release of All Claims and Covenant Not to Sue ("Agreement") is made and entered into by and between **Benita L. Artis** (hereinafter referred to as "**Artis**") and the North Carolina Department of Health and Human Services (hereinafter referred to as "**NCDHHS**").

WHEREAS, Artis has instituted certain legal claims against NCDHHS in an action entitled *Benita L. Artis v. North Carolina Department of Health and Human Services*, Civil Action No. 5:11-CV-748-BO, currently pending in the United States District Court, Eastern District of North Carolina;

AND WHEREAS, NCDHHS has denied any and all liability to Artis in connection with the pending legal claims;

AND WHEREAS, NCDHHS and Artis have mutually agreed to resolve any and all disputes that may now exist between them;

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter made by the parties to the Agreement and for other good and valuable consideration, the adequacy and sufficiency of which are hereby expressly acknowledged, the parties voluntarily agree to the following terms, each of which is material.

1. Payment.

In full and complete discharge and satisfaction of any and all claims, NCDHHS agrees to pay Artis the sum of ONE HUNDRED AND SEVENTY-FIVE THOUSAND AND NO/100

DOLLARS (\$175,000) ("Settlement Amount"). NCDHHS will disburse the Settlement Amount within thirty (30) days of its receipt of an Agreement fully executed by all parties as follows:

One Hundred and Seventy Five Thousand dollars and no/100 cents (\$175,000) less the applicable payroll withholding rates at the time she was employed with NCDHHS will be paid to Artis in contemplation of the allegations for lost wages, benefits and attorney's fees reimbursement.

2. Release.

Artis, for herself, her heirs, representatives, successor and assigns, does hereby irrevocably and unconditionally release, acquit and forever discharge NCDHHS, as well as its past and present officers, directors, employees, agents, attorneys, representatives, successors and assigns, from any and all claims, demands, causes of actions, suits and liabilities from the beginning of time until the date of this Agreement, including but not limited to claims arising from, out of or otherwise relating to her employment or termination with NCDHHS. This release includes any and all claims, demands, grievances, causes of actions, suits and liabilities of every kind, character, and description whatsoever, both legal and equitable, under federal or state statutes or common law, whether known or unknown, including but not limited to claims for compensatory damages, punitive damages, back pay, reinstatement, attorneys' fees, expenses and costs, and shall also cover any and all claims arising under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq.; 29 U.S.C. § 701 et seq., and the Employee Retirement Income Security Act of 1974 ("ERISA"), as well as those claims which were or could have been inserted in the lawsuit entitled *Benita L. Artis v. North Carolina Department of Health and Human Services*, Civil Action No. 5:11-CV-748-BO.

3. Covenant Not to Sue.

Artis hereby covenants and agrees that she will not file or permit to be filed on her behalf, any action, suit or administrative proceeding, or take any other action which seeks to pursue or enforce any claim, demand, cause of action, suit or liability which she has released herein. Artis acknowledges that she has no other action or suit pending against NCDHHS except the following North Carolina Office of Administrative Hearings matters: *Benita Latonya Artis v. North Carolina Department of Health and Human Services, Division of Public Health, Office of the State Health Director*, Docket No. 09 OSP 06601; *Benita L. Artis v. North Carolina Department of Health and Human Services, Division of Public Health Director*, Docket No. 10 OSP 3875.

4. Dismissal of Lawsuit.

Artis and her attorney agrees that within ten (10) business days after receiving the Settlement check, they will properly apply to the court, by way of motion or stipulation, for a dismissal with prejudice of said Civil Action No. 5:11-CV-748-BO. Artis and her attorney further agrees that within ten (10) business days after receiving the Settlement check, they will properly apply to the North Carolina Office of Administrative Hearings, by way of motion or stipulation, for a dismissal with prejudice the following matters: *Benita Latonya Artis v. North Carolina Department of Health and Human Services, Division of Public Health, Office of the State Health Director*, Docket No. 09 OSP 06601; *Benita L. Artis v. North Carolina Department of Health and Human Services, Division of Public Health Director*, Docket No. 10 OSP 3875. It is understood and agreed that the terms of this Agreement are expressly conditioned upon the dismissal with prejudice of the foresaid Civil Action and OAH cases.

5. Expenses of Litigation.

Artis represents and warrants that she will be responsible for the satisfaction of her attorney's fees, expenses, and costs, and understands and agrees that the aforesaid payment shall be deemed to include any and all attorneys' fees, expenses, and costs in connection with the lawsuit and in connection with any and all representation of Artis.

6. File Purge and Resignation.

Upon execution of this Agreement, NCDHHS shall remove all disciplinary actions from Plaintiff's personnel file (the two written warnings and the dismissal) and negative work plans (for periods 2008-2009 and 2009-2010). NCDHHS shall also cause Plaintiff's file and status to reflect "resigned" not "terminated".

7. Waiver of Reemployment.

Artis agrees not to seek employment with the North Carolina State Lab of Public Health and NCDHHS for the ten-year period beginning with the date that this Agreement is signed by Artis ("Ten-Year Period"). In the event that NCDHHS acquires or otherwise reorganizes to include new or additional departments or divisions for which Artis is employed such subsequent reorganization shall not result in automatic termination of Artis' employment under this Agreement. Nothing herein shall give Artis any greater rights or protection to such employment than she enjoys before any such reorganization.

8. Public Record.

The parties and their attorneys acknowledge that this agreement is considered a public record and is subject to disclosure pursuant to the North Carolina Public Records Act at Chapter 132 of the North Carolina General Statutes.

9. Mutual Non-Disparagement.

Unless compelled by lawful court order, Artis will not, either verbally, in writing, or by any other medium, take any action which in any manner disparages NCDHHS or encourage any third-party to do that which Artis is prohibited from doing. Specifically, Artis will not (1) make any disparaging, derogatory, or negative statements, comments or remarks about NCDHHS, its business practices, or any of its current or former officers, directors, employees, successors and assigns, affiliates and subsidiaries; or (2) take any action to harm the public perception of NCDHHS. Artis' obligations under this paragraph do not prohibit her from making otherwise truthful statements regarding NCDHHS that are necessary to the performance of her employment and within the scope of employment as or from participating in, testifying, or assisting in an official investigation or legal proceeding, as long as such statements do not breach any continuing obligations of confidentiality that may survive her NCDHHS employment under previously executed employee confidentiality or employment agreements that arise by operation of law to protect NCDHHS confidential information. Further NCDHHS will advise in writing those current NCDHHS employees who formerly supervised Artis not to make any disparaging or derogatory, or negative statements, comments or remarks about Artis or take any action to harm the public perception of Artis unless compelled by lawful court order or necessary to the performance of their employment and within the scope of such employment.

10. Neutral Reference.

Artis agrees that she will direct all requests for references and verifications of employment with NCDHHS to NCDHHS Human Resources. NCDHHS agrees it will provide Artis' last title, dates of employment, and with employee's authorization, salary at the time her employment ended with NCDHHS.

11. Attorneys Fees.

In any action brought to enforce any provision of this Agreement, the court may award the prevailing party reasonable attorneys' fees.

12. Nonadmissions Agreement.

This Agreement is entered into in compromise settlement of disputed claims for monetary and equitable relief. It is expressly acknowledged by Artis that by entering into this Agreement, NCDHHS does not admit to any liability or wrongdoing.

13. Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina and any applicable federal law.

14. Severability.

If any provision of this Agreement as applied to any party or to any circumstance shall be deemed to be illegal, invalid or unenforceable, such illegality, invalidity, or unenforceability shall not affect the remainder hereof or its validity or enforceability in any jurisdiction.

15. Merger Agreement.

This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements, whether written or oral. Any amendment of this Agreement must be signed by all parties hereto.

16. Acknowledgement.

Artis represents and warrants that she has been given a reasonable period of time to consider this Agreement; that she has read the entire Agreement; that she has consulted her attorneys about the meaning and intent of the Agreement; and that she enters into this Agreement of her own free will, without coercion, undue influence, threat, or intimidation of any kind, with the intention of being legally bound to its terms.

17. Authorization.

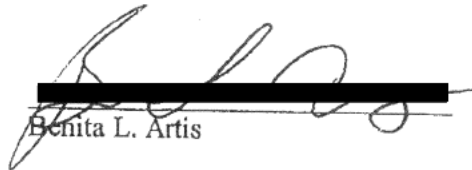
Artis warrants that the corporate representative, who signs this Agreement, has the authority to execute the Agreement of behalf of NCDHHS.

18. Execution.

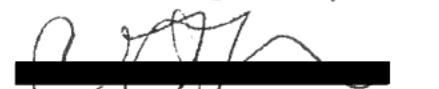
This Agreement may be executed in two or more identical counterparts, each of which will be deemed an original for all purposes. The parties agree that this Agreement may be executed by one or more parties via facsimile and that any parties' facsimile signature hereto shall be deemed to constitute an original signature for this Agreement.

This Agreement is entered into this the 29 day of April, 2015.

PLAINTIFF BENITA L. ARTIS


Benita L. Artis

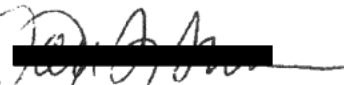
Approved and Agreed to by


Carena Brantley Lemons
Attorney for Benita L. Artis

This Agreement is entered into this the 29th day of April, 2015.

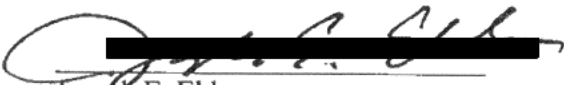
DEFENDANT NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

NORTH CAROLINA DEPARTMENT OF
HEALTH AND HUMAN SERVICES



Lou F. Turner, DrPH, CPM, HCLD (ABB)
Deputy Section Chief
NC Dept. of Health and Human Services
Division of Public Health

Approved and Agreed to by



Joseph E. Elder
Attorney for North Carolina
Department of Health and Human Services